

TAXATION OF COOPERATIVES

AS 10.25.540

Cooperatives under this chapter shall apply for a business license and pay the initial license fee as provided by the Alaska Business License Act, as amended. Before March 1 of each year, each telephone cooperative shall pay to the state, instead of state and local ad valorem, income and excise taxes which may be assessed or levied, a percentage of its gross revenue earned during the preceding calendar year.

AMOUNT OF TELEPHONE COOPERATIVE GROSS REVENUE TAX

AS 10.25.550

The telephone cooperative gross revenue tax shall be computed as follows:

- (1) one per cent of gross revenue for cooperatives which have furnished telephone service to consumers for less than five years as of December 31 of the preceding calendar year.
- (2) two percent of gross revenue for cooperatives which have furnished telephone service to consumers for five years or longer as of December 31 of the preceding calendar year.

MANNER OF COMPUTING TELEPHONE COOPERATIVE GROSS REVENUE

AS 10.25.560

Gross revenue of a telephone cooperative include all revenues earned from local and toll services.

REFUND TO LOCAL GOVERNMENTS

AS 10.25.570

The proceeds of the telephone cooperative gross revenue tax, less the amount expended by the state in its collection, shall be refunded to an organized borough or city of any class incorporated under state law, in the proportion that the revenue was collected on gross revenue of a telephone cooperative earned outside a city or organized borough shall be retained by the state and deposited into its general fund.

State of Alaska
Department of Revenue
Tax Division
PO Box 110420
Juneau, AK 99811-0420

State of Alaska
Telephone Cooperative
Gross Revenue Tax Return
AS 10.25.550

Due Date: Before the first
day of March following the
close of the taxable year.

Department Use Only - FSN

| | | |
|-----------------------|------------------|--------------------------------|
| Business Name | EIN or SSN | Calendar Year |
| Mailing Address | Telephone Number | Alaska Business License Number |
| City, State, Zip Code | Facsimile Number | Contact Person |

COMPUTATION OF TAX

| | (A) Total Gross Revenue | (B) Tax Rate | TAX Column (A) X (B) | DEPT USE ONLY |
|---|----------------------------|-----------------|-------------------------|---------------|
| 1. Cooperative furnishing service for less than five years as of December 31 | | 0.01 | \$ | |
| 2. Cooperative furnishing service for five years or longer as of December 31 | | 0.02 | \$ | |
| 3. TOTAL TAX DUE. Enter applicable amount here | | | \$ | |

ALLOCATION SCHEDULE

This section must be completed so that refunds to local governments can be made in accordance with AS 10.25.570

| City or Borough in which Gross Revenue was Earned | Amount of Gross Revenue | Applicable Tax Rate | Amount of Tax | DEPT USE ONLY |
|--|-------------------------|---------------------|---------------|---------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| TOTAL | | | | |
| If more space is needed for additional taxing authorities, attach a separate schedule and enter the total tax amount here | | | | |
| TOTAL (must equal the amount on line 3 above) | | | | |

I declare under penalty of perjury that this return, including all accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct and complete return.

| | | |
|-----------------------|-------|------|
| Signature of Taxpayer | Title | Date |
|-----------------------|-------|------|